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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11 Case No.
	:	
LEHMAN BROTHERS HOLDINGS INC., et al.,	:	08-13555 (JMP)
	:	
Debtors.	:	(Jointly Administered)
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**STATEMENT OF CENTERBRIDGE CREDIT ADVISORS LLC
WITH RESPECT TO RESPONSE OF OPERATING COMPANY CREDITORS
TO THE MOTION OF THE AD HOC GROUP OF LEHMAN
BROTHERS CREDITORS SEEKING, AMONG OTHER THINGS, AN
ORDER SCHEDULING A DISCLOSURE STATEMENT HEARING AND
APPROVING THE FORM AND MANNER OF NOTICE THEREOF**

TO THE HONORABLE JAMES M. PECK,
UNITED STATES BANKRUPTCY JUDGE:

Centerbridge Credit Advisors LLC, solely on behalf of funds managed by itself and its affiliates (collectively, "Centerbridge"), by and through its undersigned counsel, submits this Statement (the "Statement") in support of the Response (the "Response") of the Operating Company Creditors¹ to the Motion of the Ad Hoc Group of Lehman Brothers Creditors (the "Ad Hoc LBHI Group") for entry of (i) an order scheduling a disclosure statement hearing and approving the form and manner of notice thereof and (ii) an order approving the disclosure

¹ Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Response.

statement for the Joint Substantively Consolidating Chapter 11 Plan for Lehman Brothers Holdings Inc. and Certain of Its Affiliated Debtors Other Than Merit, LLC, LB Somerset LLC and LB Preferred Somerset LLC [Docket No. 15431] (the “Motion”).

BACKGROUND

1. Commencing on September 15, 2008 and periodically thereafter, LBHI and certain of its subsidiaries (together with LBHI, the “Debtors”) commenced with this Court voluntary cases under chapter 11 of the Bankruptcy Code. The Debtors’ chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

2. On September 17, 2008, the United States Trustee for the Southern District of New York appointed a statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code.

3. On September 19, 2008, a proceeding was commenced under the Securities Investor Protection Act of 1970 (“SIPA”) with respect to Lehman Brothers Inc. (“LBI”). A trustee appointed under SIPA (the “SIPC Trustee”) is administering LBI’s estate.

4. On March 15, 2010, the Debtors filed the Joint Chapter 11 Plan for LBHI and Its Affiliated Debtors [Docket No. 7572]. On April 14, 2010, the Debtors filed a revised proposed chapter 11 plan [Docket No. 8330]. On January 25, 2011, the Debtors filed the First Amended Joint Chapter 11 Plan (as it may be further amended or modified, the “Debtors’ Plan”) and a disclosure statement related thereto (the “Debtors’ Disclosure Statement”) [Docket Nos. 14150; 14151].

5. On December 15, 2010, the Ad Hoc LBHI Group filed the Joint Substantively

Consolidating Chapter 11 Plan for Lehman Brothers Holdings Inc. and Certain of Its Affiliated Debtors Other Than Merit, LLC, LB Somerset LLC and LB Preferred Somerset LLC (as amended, revised or otherwise modified, the “Ad Hoc LBHI Group’s Plan”) [Docket No. 13504]. Also on December 15, 2010, the Ad Hoc LBHI Group filed a disclosure statement (the “Ad Hoc LBHI Group’s Disclosure Statement”) related to the Ad Hoc LBHI Group’s Plan [Docket No. 13505].

6. On March 14, 2011, the Debtors filed a motion for entry of an order (i) approving the Debtors’ Disclosure Statement and the form and manner of notice of the hearing on the Debtors’ Disclosure Statement, (ii) establishing solicitation and voting procedures for the Debtors’ Plan, (iii) scheduling a confirmation hearing on the Debtors’ Plan, and (iv) establishing notice and objection procedures for confirmation of the Debtors’ Plan [Docket No. 15078]. By Order to Show Cause dated March 16, 2011, the Court scheduled a hearing for June 28, 2011 at 10:00 a.m. to consider approval of the Debtors’ Disclosure Statement and established May 27, 2011 at 4:00 p.m. as the deadline for filing objections to the Debtors’ Disclosure Statement.

7. On March 29, 2011, the Ad Hoc LBHI Group filed the Motion seeking entry of (i) an order scheduling a hearing on the Ad Hoc LBHI Group’s Disclosure Statement and approving the form and manner of notice thereof and (ii) an order approving the Ad Hoc LBHI Group’s Disclosure Statement.

CENTERBRIDGE’S JOINDER

8. Centerbridge, a creditor and party in interest in these cases, files this Statement in support of the Response’s requests that, to the extent a party in interest files a plan (each, a “Plan”) and related disclosure statement (each, a “Disclosure Statement”) for one or more of the Debtors by April 29, 2011 (or, if later, at least 28 days prior to the hearing on the Debtors’

Disclosure Statement), the Court consider the adequacy of each Disclosure Statement simultaneously.

CONCLUSION

For all of the foregoing reasons, Centerbridge respectfully requests that the Court (a) grant the relief requested in the Motion, and (b) grant Centerbridge such other and further relief as the Court deems just, proper and equitable.

Dated: New York, New York
April 6, 2011

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